



Ferrari of Beverly Hills



By Federal Express

March 8, 2012

Clerk of the Board
California Air Resources Board
1001 I Street
Sacramento, CA 95814

Re: Comment on the 15-Day Modified Text of the ZEV and LEVIII Amendments

Dear Ms. Nichols and Board Members,

Thank you for the opportunity to submit comments on the "15 Day Notice of Amendments to the California Zero Emission Vehicle Program Regulations and the Proposed 'LEVIII' Amendments to the California Greenhouse Gas, Criteria Pollutant Exhaust and Evaporative Emission Standards and Test Procedures, and to the On-Board Diagnostic System Requirements for Passenger Cars, Light-Duty Trucks, and Medium-Duty Vehicles, and to the Evaporative Emission Requirements for Heavy-Duty Vehicles" ("15-Day Modified Text").

I am the principal of Ferrari of Beverly Hills and also hold a 50 percent interest in Ferrari of Silicon Valley. Ferrari of Beverly Hills is an authorized Ferrari dealer located in Beverly Hills, California. Ferrari of Silicon Valley is an authorized Ferrari dealer located in Redwood City, California. Ferrari of Beverly Hills employs approximately 35 people and Ferrari of Silicon Valley employs approximately 20 people, plus we contract 150 businesses for which we are an indispensable source of income. California is Ferrari's largest U.S. market, representing about 20-25% of Ferrari's total U.S. sales each year. Thus, maintaining the ability to sell vehicles in California is critical to Ferrari's business and its presence in the United States vehicle market.

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Ferrari of Beverly Hills and Ferrari of Silicon Valley fully supports the California Air Resources Board's ("ARB's") decision to include operational independence criteria for small volume manufacturers ("SVMs") in the 15-Day Modified Text, as we requested that such a provision be included in the rules. We applaud ARB for taking steps to maintain the consistency and uniformity between the state and federal regulatory programs and for preventing Ferrari's sales from being aggregated with those of Fiat, which could result in limits being placed on the number of Ferraris that could be sold each year in order to ensure that the combined fleet complies with applicable emissions standards.

However, Ferrari Beverly Hills and Ferrari of Silicon Valley are concerned about the possible lack of a transition period for SVMs under the 15-Day Modified Text. As we understand the language, model year ("MY") 2013 and MY2014 Ferrari vehicles could have to be counted as part of a related manufacturer's fleet for purposes of the LEVII and III, ZEV, and GHG programs. Ferrari immediately would be required to begin complying with more stringent exhaust and evaporative emission standards without sufficient lead time and planning. We hope that ARB clarifies that a transition period is necessary to protect current SVMs from a sudden, drastic change in applicable standards.

It is my understanding that Ferrari intends to apply to EPA for SVM status for MY2013 (assuming that EPA finalizes its regulatory language on operational independence). If EPA grants this application and California does not clarify the applicability of its own provision, Ferrari could be considered a small volume manufacturer for EPA purposes but not for compliance with California regulations. We respectfully request that ARB make some accommodation to resolve this issue.

Sincerely,

Giacomo Mattioli
Principal, Ferrari of Beverly Hills